

Exhibit A

The Retention by the Equity Committee for Delphi Corporation of a Financial Advisor

The Debtors would not object to the engagement of a financial advisor by the Equity Committee (“Committee”) in the capacity of assisting the Committee in the analysis of financial information provided by the Debtors and falling within the proposed scope of services described below. The arrangement set forth herein is without prejudice to the rights of the Debtors and the Committee to seek relief from the Bankruptcy Court with respect to any other issue.

The compensation structure for the financial advisor to the Committee will be \$175,000 per month with no success fee. The per month fees (and no success fee) are consistent with those that the Debtors are currently paying to Lazard Freres (on behalf of the UAW) and Chanin Capital (on behalf of the IUE-CWA) for roles which are not as limited as those of the Committee’s advisors.

Debtors’ Proposed Scope of Services for Financial Advisor to the Committee

- (a) Labor Matters: Assist the Committee in analyzing matters relating to the Company's transformation of its workforce and the impact thereof on the Company on a pro forma basis including, (i) the Debtors' efforts to modify and/or reject (or terminate) collective bargaining agreements and retiree benefits under sections 1113 and 1114 of the Bankruptcy Code, (ii) the Debtors' attrition programs, including any future attrition or buydown programs, and (iii) the resulting costs and claims of such labor transformation efforts and programs, including assistance in evaluating the Company's financial models;
- (b) General Motors Corporation: Assist the Committee in analyzing matters relating to the relationship and business arrangements between the Company and GM including, evaluating and understanding legacy contracts, GM claims, claims against GM and go forward business arrangements with GM pertaining to the transformation and the impact of our go forward business arrangements on the Company on a pro forma basis, and evaluating potential settlements with GM including assessment of the value of possible debt, equity or other securities of the reorganized company to be received by GM; and
- (c) Divestitures and Closings: Assist the Committee in analyzing matters relating to the Company's efforts to divest material property or business and the impact thereof on the Company on a pro forma basis, including the proposed transaction and cash flow impacts.

For the avoidance of doubt, the following are excluded from the scope of services to be rendered to the Committee:

- 1) Determination or evaluation of the Debtors' enterprise value, on a consolidated and division basis provided that the Committee shall be permitted to engage in the evaluation and analysis contemplated by (a), (b) and (c) above;
- 2) Monitoring and reviewing the business, management, operations, properties, financial condition and prospects of the Debtors;

- 3) Analyzing and reviewing the Debtors' claims process, including plan classification modeling, negotiation, and claim estimation (except for claims of General Motors and the unions arising out of Delphi's transformation or those arising out of divestitures and closings); and
- 4) Participating in negotiations on behalf of the Committee other than with the Debtors.